

21 JUN 1977

MEMORANDUM FOR: Legislative Counsel

SUBJECT : Senate Bill S.1264, "Federal Acquisition Act of 1977"

Comments are provided on subject Bill as requested.

If enacted into law, the bill would require the following, which conflicts with the DCI's responsibility to protect sources and methods:

Pg. 12, Sec.302

The requirement to publicize solicitations for offers poses a problem for most Agency procurements wherein Agency association is classified.

Pg. 14, Sec.304

The requirement in Paragraph 3 to publicize the award, together with a description of the property or service and name of source.

Pg. 18-19, Sec.306

This provides Comptroller General access to records on Agency classified contracts that he did not have before.

However, under Title II, "Acquisition by Competitive Sealed Bids", and in Sec.201(2) on Page 9, there is an indication that an exception to this type of procurement could be granted for security reasons. This exception is not repeated or referenced in Title III or Title IV and can only be inferred from the language in Sec. 201(2).

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The requirement that Agency head determination must be made prior to sole source awards is much more restrictive than present procurement laws.

The bill, as set forth, with exception of the above concerns, would not in my opinion conflict with our procurement methods.

[Redacted Signature Box]

Chief, CS/OD&E

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